

Medical Assistance Provider Bulletin

Attention: All Title XIX Certified Audiologists and Hearing Aid Dealers

Subject: DRG Implementation, Audiology and Hearing Aid Policy

Date: August 10, 1990

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Department of Health and Social Services, Division of Health,
Bureau of Health Care Financing, P.O. Box 308, Madison, Wisconsin 53701

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I. IMPLEMENTATION OF THE DRG REIMBURSEMENT SYSTEM FOR INPATIENT HOSPITALS

A. Introduction

In August, 1987, the Wisconsin Department of Health and Social Services (DHSS) was granted authority under s. 49.45(3)(e)3 of the Wisconsin Statutes to reimburse hospitals participating in the Wisconsin Medical Assistance Program (WMAP) on a diagnosis related group (DRG) basis. Medicare is currently reimbursing hospitals under a similar type of payment system.

Effective with dates of discharge on or after January 1, 1991, the WMAP will implement the DRG reimbursement system for WMAP-certified in-state and border status hospitals.

The DRG system, like the WMAP's current prospective payment system, is intended to encourage continued cost-effective hospital treatment. Under the DRG system, however, hospitals will be paid based on each patient's specific diagnosis. As a result, DRG hospital reimbursement will be more equitable by directly responding to changes in the mix of patients the hospital serves.

The costs for certain types of services currently included in the calculation of a rate-per-discharge for some hospitals will no longer be considered allowable hospital costs. This is necessary in order to establish statewide DRG rates. Consequently, the WMAP can include in the rate calculations only those services which nearly all hospitals have in common.

B. Certification under DRGs

As the WMAP moves to implement a DRG payment system, we find it necessary to clarify what services are considered inpatient hospital services and what services are considered "professional services." Professional services, which include audiology and hearing aid dealer services, will not be included in the DRG payment to the hospital and must be separately billed to the WMAP. Any audiologist or hearing aid dealer providing these services must be individually certified by the WMAP.

Certification effective dates with the WMAP are assigned based on the date of application. Therefore, certification should be obtained as soon as possible, because there will be no reimbursement under DRGs for audiology and hearing aid dealer services provided to recipients whose date of discharge is on or after January 1, 1991, regardless of the date of admission of the recipient.

To obtain certification materials, please contact:

EDS
Attn: Provider Maintenance
6406 Bridge Road
Madison, WI 53784-0006

C. Billing under DRGs

Effective with dates of discharge on or after January 1, 1991, hospitals will no longer be allowed to include audiology and hearing aid dealer services, provided to a hospital inpatient, as billable services on the UB-82 claim form, as these are professional services. Any audiologist or hearing aid dealer providing these services to a hospital inpatient must be billed on the HCFA 1500 claim form.

In order to allow reimbursement for audiology and hearing aid dealer services provided to a hospital inpatient who may not be discharged until on or after January 1, 1991, the WMAP is changing current policy to allow all audiology and hearing aid dealer services with dates of service on or after July 1, 1990, to be billable with place of service 1 (inpatient hospital).

Refer to Attachments 4 and 5 for an updated list of allowable place of service (POS) and type of service (TOS) codes for audiologists and hearing aid dealers for dates of service on or after July 1, 1990. These replace Attachments 3 and C-5 from Medical Assistance Provider Bulletins dated June 15, 1989 (MAPB-089-019-D/004-HA) and September 1, 1987 (MAPB-087-015-D/087-002-HA).

D. PA for Audiology Services under DRGs

Effective with dates of service on or after July 1, 1990, the WMAP has eliminated the prior authorization requirement for procedure codes 92581 (evoked response audiometry) and 92585 (brain-stem evoked response recording) when the services are provided to a hospital inpatient (place of service 1).

II. **ADDITIONAL COVERAGE OF HEARING AID SERVICES AND SUPPLIES:
ASSISTIVE LISTENING DEVICES (ALDs)**

A. Criteria for WMAP Coverage of ALDs

Effective with dates of service on or after July 1, 1990, the WMAP will reimburse providers for ALDs. Although there are numerous items on the market that are described as assistive listening devices, the WMAP coverage of ALDs is limited to those which meet all of the following criteria:

- the system is portable
- the system is battery operated (disposable battery)
- the ALD has one or two hearing aid receivers (monaural or binaural earphones) with single or Y-cord
- the ALD has a standard amplifier

B. Prior Authorization and Billing Information

Providers must obtain prior authorization from the WMAP before dispensing an ALD. The prior authorization forms required are the PA/OF, PA/ARF1, and PA/ARF2. Use procedure code W6902 and TOS P to request prior authorization and bill for an ALD. The WMAP will not reimburse providers for the rental of an ALD, only for the purchase.

Like a hearing aid, an ALD must be billed on the HCFA 1500 claim form with a claim sort indicator of D. ALDs, however, should be billed at the provider's usual and customary fee and will be reimbursed at the lesser of the provider's usual and customary charge or the WMAP's maximum allowable fee. The required recipient copayment amount is \$3.00. There will be no dispensing fee for ALDs.

Please refer to Medical Assistance Provider Bulletin (MAPB-087-015-D/087-002-HA) dated September 1, 1987, for instructions to complete the prior authorization forms and the HCFA 1500 claim form.

C. Batteries for ALDs

The WMAP will not be adding a separate code for 9 volt or AA batteries (the battery used in most ALDs). Instead, batteries for ALDs should be billed under procedure code W6923 (zinc carbon - standard) and W6935 (zinc carbon - binaural). The reimbursement rates for these two codes have been adjusted accordingly.

III. **ADDITIONAL CODES BILLABLE BY AUDIOLOGISTS**

Effective with dates of service on or after July 1, 1990, WMAP-certified audiologists may be reimbursed by the WMAP for a complete electronystagmographic (ENG) evaluation. This is a change from current WMAP policy, which allows audiologists to perform the complete battery of tests associated with an ENG evaluation but reimburses only a portion of the evaluation (procedure codes 92542, positional nystagmus test, and 92543, caloric vestibular test).

Listed below are the additional procedure codes and their descriptions:

<u>Procedure Code</u>	<u>Description</u>
92541	Spontaneous nystagmus test, including gaze and fixation nystagmus, with recording
92544	Optokinetic nystagmus test, bidirectional, foveal or peripheral stimulation, with recording
92545	Oscillating tracking test, with recording
92546	Torsion swing test, with recording

<u>Procedure Code</u>	<u>Description</u>
92547	Use of vertical electrodes in any or all of above tests counts as one additional test.

The valid TOS code is B, which must be indicated in element 24G of the HCFA 1500 claim form.

Please see Attachment 1 for the complete list of codes billable by audiologists for dates of service on or after July 1, 1990.

IV. UNLISTED HEARING AID SUPPLIES AND SERVICES

The WMAP has developed a new procedure code to be used when requesting unlisted hearing aid supplies or services. And if the provider cannot find an appropriate code among the WMAP covered services listed in the Medical Assistance Provider Bulletin (MAPB-087-015-D/087-002-HA) dated September 1, 1987. The new code, W6999, (unlisted hearing aid supplies/service), type of service P, will require prior authorization. The effective date for use of this code is July 1, 1990.

V. PHYSICIAN OTOLOGICAL REPORT FOR HEARING AID EVALUATION

Effective with dates of service on or after July 1, 1989, limited hearing evaluations and hearing aid checks are included as allowable hearing aid dealer services, for adults, age 22 and over, who are not cognitively or behaviorally impaired. This provision has recently been incorporated in the permanent rules of the Department of Health and Social Services.

The Physician Otological Report for Hearing Aid Evaluation (PA/OF) has been revised to allow the prescribing physician to appropriately refer the patient to either an audiologist or hearing aid dealer. The new item 7 on the PA/OF form concerning hearing aid dealer or audiologist referral must be completed. The PA/OF forms are available from the following address:

EDS
Attn: Claim Reorder
6406 Bridge Road
Madison, WI 53784-0003

Please refer to Attachments 2 and 3 of this bulletin for a sample PA/OF and completion instructions.

VI. CHANGES IN LIMITATION OF HEARING AID ACCESSORIES

Currently all hearing aid accessories for all recipients are limited to one per recipient per year. Effective with dates of service on or after July 1, 1990, the limit on hearing aid accessories is changed as indicated below.

1. Recipients age 18 and under: three earmolds per hearing aid, two single cords per hearing aid and two Y-cords per recipient per year;
2. Recipients over age 18: one earmold per hearing aid, one single cord per hearing aid and one Y-cord per recipient per year; and
3. All recipients: one harness, one CROS fitting, one new receiver and one bone-conduction receiver with headboard per recipient per year.

VII. HEARING AID PERFORMANCE CHECKS

As a reminder, a hearing aid performance check (an evaluation of user benefit, including functional gain and aided speech audiometrics, with the hearing aid provided to the client) is required after a new or replacement hearing aid has been worn for a 30-day trial period. The hearing aid dealer should advise the recipient to return within thirty days of receiving the hearing aid for a hearing aid performance check.

The hearing aid performance check should include an objective (i.e., electroacoustic measurements) or a subjective evaluation of the hearing aid (e.g., the recipient's and/or hearing aid dispenser's statement of satisfactory performance).

Reimbursement for dispensing a hearing aid will be made only after the performance check has shown the hearing aid to be satisfactory, or after 45 days has elapsed from the date of service with no response from the recipient.

VIII. LATE BILLING REMINDER

Providers are reminded that federal regulations require that all claims be submitted, correct and complete, within one year of the date of service. The only exceptions to this requirement, and the required documentation and procedures, are identified in Section IV-F of Part A of the WMAP Provider Handbook.

IX. PAPERLESS CLAIMS

Submit your claims electronically. Experience shows that electronic billers get quicker results with fewer errors than conventional paper billers. EDS offers free software and consultation services to get you started right. Simply fill out Attachment 6 of this bulletin and mail it to EDS, or call (608) 221-4746 and ask for the Electronic Media Claims (EMC) Unit.

X. ATTACHMENTS

1. WMAP Allowable Audiology Procedure Codes.
2. Instructions for completion of the Physician Otological Report for Hearing Aid Evaluation (PA/OF).
3. Sample Physician Otological Report for Hearing Aid Evaluation.
4. Place of Service (POS) and Type of Service (TOS) codes for Audiology Services.
5. Place of Service (POS) and Type of Service (TOS) codes for Hearing Aid Dealer Services.
6. Paperless Claims Request Form.

ATTACHMENT 1

WMAF Allowable Audiology Procedure Codes

Effective July 1, 1990

<u>Procedure Code</u>	<u>Description</u>	<u>Copayment</u>
92541	Spontaneous nystagmus test, including gaze and fixation nystagmus, with recording	\$1.00/proc
92542	Positional nystagmus test; minimum of four positions, with recording	\$1.00/proc
92543	Caloric vestibular test, each irrigation (binaural, bithermal stimulation constitutes four tests), with recording	\$1.00/proc
92544	Optokinetic nystagmus test, bidirectional, foveal or peripheral stimulation, with recording	\$1.00/proc
92545	Oscillating tracking test, with recording	\$1.00/proc
92546	Torsion swing test, with recording	\$1.00/proc
92547	Use of vertical electrodes in any or all of above tests counts as one additional test	\$1.00/proc
92551	Screening test, pure tone, air only	\$1.00/proc
92552	Pure tone audiometry (threshold); air only	\$1.00/proc
92553	Pure tone audiometry (threshold); air and bone	\$1.00/proc
92555	Speech audiometry; threshold only	\$1.00/proc
92556	Speech audiometry; threshold and discrimination	\$1.00/proc
92557***	Basic comprehensive audiometry (92553 and 92556 combined), (pure tone, air and bone, and speech, threshold and discrimination)	\$1.00/proc

* Requires prior authorization.

** Requires prior authorization unless POS is 1.

*** **Please Note:** Code 92557 includes codes 92552 through 92556 and should be billed when codes 92553 and 92556 are being billed for the same DOS.

**** **Please Note:** Code 92566 includes both code 92567 (tympanometry) and code 92568 (Acoustic Reflex Testing).

<u>Procedure Code</u>	<u>Description</u>	<u>Copayment</u>
92559	Audiometric testing of groups	\$1.00/proc
92560	Bekesy audiometry; screening	\$1.00/proc
92561	Bekesy audiometry; diagnostic	\$1.00/proc
92562	Loudness balance test, alternate binaural or monaural	\$1.00/proc
92563	Tone decay test	\$1.00/proc
92564	Short increment sensitivity index (SISI)	\$1.00/proc
92565	Stenger test, pure tone	\$1.00/proc
92566****	Impedance testing	\$1.00/proc
92567	Tympanometry	\$1.00/proc
92568	Acoustic reflex testing	\$1.00/proc
92569	Acoustic reflex decay test	\$1.00/proc
92571	Filtered speech test	\$1.00/proc
92572	Staggered spondaic word test	\$1.00/proc
92573	Lombard test	\$1.00/proc
92574	Swinging story test	\$1.00/proc
92575	Sensorineural acuity level test	\$1.00/proc
92576	Synthetic sentence identification test	\$1.00/proc
92577	Stenger test, speech	\$1.00/proc
92578	Delayed auditory feedback test	\$1.00/proc
92580	Electrodermal audiometry	\$1.00/proc
92581**	Evoked response audiometry	\$1.00/proc
92582	Conditioning play audiometry	\$1.00/proc
92583	Select picture audiometry	\$1.00/proc
92584	Electrocochleography	\$1.00/proc

<u>Procedure Code</u>	<u>Description</u>	<u>Copayment</u>
92585**	Brainstem evoked response recording	\$1.00/proc
92589	Central auditory function test(s) (specify)	\$1.00/proc
92590	Hearing aid exam and selection; monaural	\$1.00/proc
92591	Hearing aid exam and selection; binaural	\$1.00/proc
92592	Hearing aid check; monaural	\$1.00/proc
92593	Hearing aid check; binaural	\$1.00/proc
92594	Electroacoustic evaluation for hearing aid; monaural	\$1.00/proc
92595	Electroacoustic evaluation for hearing aid; binaural	\$1.00/proc
92596	Ear protector attenuation measurements	\$1.00/proc
92599	Unlisted otorhinolaryngologic service or procedure	\$1.00/proc
<u>Aural Rehabilitation</u>		
92507*	Speech, language or hearing therapy; individual	\$1.00/30 minutes
92508*	Speech, language or hearing therapy; group	\$1.00/30 minutes

ATTACHMENT 2

**Instructions for Completion
of the
Physician Otological Report for
Hearing Aid Evaluation
(PA/OF)**

1. Complete each item on the form.
2. Give the recipient the first copy; retain the second copy for your records.

ELEMENT 1 - PHYSICIAN NAME AND ADDRESS

Enter your name and complete address, including Zip Code.

ELEMENT 2 - TELEPHONE NUMBER

Enter your telephone number, including the Area Code.

ELEMENT 3 - PROVIDER NUMBER

Enter your eight (8) digit Medical Assistance provider number.

ELEMENT 4 - SIGNATURE AND DATE OF EVALUATION

Upon completion of your evaluation, enter your signature and date of the evaluation in this element.

ELEMENT 5 - MEDICAL ASSISTANCE NUMBER

Enter recipient's ten (10) digit Medical Assistance identification number as indicated on the current Medical Assistance Identification Card.

ELEMENT 6 - RECIPIENT'S NAME

Enter the recipient's last name, first name and middle initial as it appears on the Medical Assistance Identification Card.

ELEMENT 7 - RECIPIENT'S ADDRESS

Enter the complete address of the recipient's place of residence; if the recipient is a resident of a nursing home, enter the name and address of the nursing home.

ELEMENT 8 - RECIPIENT'S SEX

Specify if male or female with an "X".

ELEMENT 9 - DATE OF BIRTH

Enter recipient's date of birth in MM/DD/YY format (e.g., January 5, 1978 would be 01/05/78) as it appears on the Medical Assistance Identification Card.

The remainder of the form is used to document your otological evaluation of the patient. Use additional paper if needed, attaching it to the form.

ITEM 7 (Physician's Recommendations) must be completed. Completion of Item 7 ensures that the patient is appropriately referred to a Wisconsin Medical Assistance certified audiologist or hearing aid dealer for the hearing evaluation. Forms submitted to the WMAP without a referral will be returned to the audiologist or hearing aid dealer.

Date: 08/10/90

- ☐ COMPLETE EACH ITEM ON FORM.
☐ GIVE FIRST PAGE TO THE RECIPIENT
 TO TAKE TO THE AUDIOLOGICAL CENTER.
☐ RETAIN SECOND PAGE FOR YOUR FILES.

PHYSICIAN OTOLOGICAL REPORT FOR HEARING AID EVALUATION

PA/OF

1 PHYSICIAN NAME, ADDRESS, ZIP CODE I. M. Provider 123 W. Williams Anytown, WI 53725		2 PHYSICIAN'S TELEPHONE NO. (XXX) XXX-XXXX	4 DATE OF EVALUATION AND PHYSICIANS SIGNATURE MM/DD/YY DATE I. M. Provider SIGNATURE
3 PHYSICIAN'S MEDICAL ASSISTANCE NO. 87654321			
5 RECIPIENT'S MEDICAL ASSISTANCE ID NUMBER: 1234567890	6 RECIPIENT'S NAME (LAST, FIRST, M.I.) Recipient, Ima	7 RECIPIENT ADDRESS (STREET, CITY, STATE, ZIP CODE) 609 Willow Anytown, WI 53725	
8 SEX M <input type="checkbox"/> F <input checked="" type="checkbox"/>	9 DATE OF BIRTH MM/DD/YY		

1. Pertinent medical history regarding hearing loss: Client has extensive history of hearing problems. Client indicates she has never worn amplification.

2. Pertinent otological findings:

EAR CANALS	NORMAL	DISCHARGE	EXTERNAL OTITIS		OBSTRUCTED	OTHER
Right		X	X	wax		
				other		
Left	X			wax	X	
				other		
EAR DRUMS	NORMAL	PERFORATED	DISCHARGE			OTHER
Right	X					
Left		X				
MIDDLE EAR	NORMAL	SECRETORY	CHRONIC OTITIS			OTHER
Right			X			
Left	X					

ADDITIONAL OTOLOGICAL FINDINGS: Please indicate results of special studies such as caloric and postural tests, recruitment tests, etc.

Above testing revealed no abnormal conditions. Tympanometry was within normal limits.

3. Clinical Diagnosis of Hearing Status: sensori-neural loss right ear
conductive loss left

4. Other Known Medical/Cognitive/Developmental Problems: None

5. Medical Contraindications to the Use of an Air Conduction Type Hearing Aid in Either Ear: draining in left ear prohibits use of hearing aid unless closely monitored

6. The use of Non-allergenic Earmold Material (is) (is not) recommended: is not

7. Physician's Recommendations:

- a. ☐ Hearing Evaluation by an Audiologist is necessary due to Medical/Cognitive/Developmental or other needs, or because patient is younger than 22 years of age.
- ☐ Hearing Evaluation can be conducted by a Hearing Aid Dealer. (Patient's Medical/Cognitive/Developmental Condition does not require services by an audiologist.) Patient must be age 22 years or older to be referred to a hearing aid dealer.
- ☒ Hearing Evaluation can be conducted by an Audiologist or by a Hearing Aid Dealer.
- b. ☒ Requires Hearing Test in Home.

ATTACHMENT 4
AUDIOLOGY SERVICES
Effective July 1, 1990

ALLOWABLE PLACES OF SERVICE (POS) TABLE

<u>POS</u>	<u>Description</u>
1	Inpatient Hospital
3	Office
4	Home
7	Nursing Home
8	Skilled Nursing Facility

ALLOWABLE TYPES OF SERVICE (TOS) TABLE

<u>TOS</u>	<u>Description</u>
B	Diagnostic Medical (Total)
P	Purchase
R	Rental

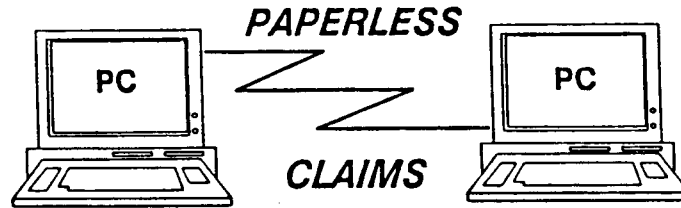
ATTACHMENT 5
HEARING AID DEALER SERVICES
Effective July 1, 1990

ALLOWABLE PLACE OF SERVICE (POS) TABLE

<u>POS</u>	<u>Description</u>
1	Inpatient Hospital
3	Office
4	Home
7	Nursing Home
8	Skilled Nursing Facility

ALLOWABLE TYPE OF SERVICE (TOS) TABLE

<u>TOS</u>	<u>Description</u>
P	Purchase
R	Rental






EXPERIENCE THE DIFFERENCE

Now is the time to explore the many advantages of "paperless" claims. EDS provides the information and technology to assist you in implementing electronic claims for the Wisconsin Medical Assistance Program (WMA). Join the thousands of providers using electronic claims and experience the difference:

- Improved Cash Flow
- Reduced Clerical Effort
- Fewer Claim Rejections
- Flexible Submission Methods
- Adaptability to Existing Systems

EDS publishes specifications for the following three forms of electronic claims:

-  - Tape-to-tape allows EDS to receive billing information through magnetic tape. The specifications are available to you upon request.
-  - Electronic claims submission (ECS) uses personal or other computers to transmit billing information over the telephone line.
-  - 3780 Protocol is an IBM standard protocol that several IBM mini or main frame systems have installed for a communication link.

EDS offers free software and consultation services to get you started right. To receive the software and/or specifications, complete the reverse side of this document and return to EDS.

**Come Experience the Difference with ECS
CALL EDS (608-221-4746) TODAY!**

PAPERLESS CLAIMS REQUEST FORM

Please complete this form if you want additional information on electronic billing.

Name: _____

Address: _____

Medicaid Number: _____ Phone #: _____

Contact Person: _____

Type of Service(s) Provided: _____

Estimated Monthly Medicaid Claims Filed: _____

1. Do you currently submit your Medicaid claims on paper? ☐ YES ☐ NO

2. Are your Medicaid claims computer generated on paper ☐ YES ☐ NO

3. Do you use a billing service? ☐ YES ☐ NO

If the answer is YES to #2 or #3, please complete the following:

Name: _____ Contact: _____

Address: _____ Phone #: _____

4. Do you have an in-house computer system? ☐ YES ☐ NO

If YES, type of computer system:

a. Large main frame
(e.g., IBM 360, Burroughs 3800)

Manufacturer: _____

Model #: _____

b. Mini-Computer
(e.g., IBM System 34, or 36 TI 990)

Manufacturer: _____

Model #: _____

c. Micro-Computer
(e.g., IBM PC, COMPAQ, TRS 1000)

Manufacturer: _____

Model #: _____

5. Please send the paperless claims manual for:



☐ magnetic tape submission



☐ telephone transmission (EDS free software) ☐ 3-1/2" ☐ 5-1/2"

(NOTE: EDS does not supply the 3-1/2" diskette. If you need this size, please send a blank formatted diskette with your request.)



☐ telephone transmission (3780 protocol transmission)

Return To: EDS
Attn: EMC Department
6406 Bridge Road
Madison, WI 53784-0009